

REMARKS

Claims 1-8 and 39-61 are currently pending in the subject application and are presently under consideration. Claims 60 and 61 have been amended to correct minor informalities. A version of all pending claims can be found at pages 2-8 of this Reply.

Favorable reconsideration of the subject patent application is respectfully requested in view of the comments and amendments herein.

I. Rejection of Claims 1-8 and 39-61 Under 35 U.S.C. §103(a)

Claims 1-8 and 39-61 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Ephrati, *et al.* (US 7,296,001, hereinafter referred to as “Ephrati”). Withdrawal of this rejection is respectfully requested for at least the following reasons. Ephrati does not teach or suggest all the claimed features.

To reject claims in an application under §103, an examiner must establish a *prima facie* case of obviousness. To establish a *prima facie* case of obviousness, the prior art reference (or references when combined) **must teach or suggest all the claim limitations**. In addition, there must be a reasonable expectation of success to make the proposed combination. *See In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991). “[R]ejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness.” *KSR v. Teleflex*, 550 U.S. ___, 127 S. Ct. 1727 (2007) *citing In re Kahn*, 441 F. 3d 977, 988 (CA Fed. 2006).

The claimed subject matter relates in part to a multiple criterion buying and selling model that can correlate (e.g., match, criteria defined by a buyer with criteria defined by the sellers.

The model can allow certain selling/buying criteria to be pre-selected prior to negotiating (e.g., price, quality, warranty). (See pg. 9, ll. 1-2). The model can also allow the buyer or seller to enter offering/ordering criteria, which can be a value or range for the selling/buying criteria (see e.g., pg. 8, line 27 – pg. 9, line 4; FIGS 4a-b). Thus, rather than waiting for sellers to determine if they can meet all buying criteria before making an offer, deals that **match in terms of offering/ordering criteria** can be output in real time based upon the input criteria of one or both

parties. In addition, sellers can be informed of buying criteria that does not match their own seller criteria. For example, the sellers of a particular good or service can define a set of minimum inputs and other criteria such as quality ratings of the goods (see page 11, lines 4-7; page 16, lines 15-21; Fig. 8b, element 303), while the buyers can enter criteria that is important to them such as warranty, of which the sellers may not have listed in their own criteria, or even be aware it would be of interest to buyers (see page 2, lines 24-25). Hence, the model can inform sellers of buyers' input criteria that the sellers did not list as their own criteria (see page 11, lines 13-15), and output deals in real time based upon the same or other criteria. In particular independent claim 47 (and similarly independent claims 1, 40, 50, 51, 52) recites, "**matching** at least one deal of the plurality of deals that meets at least one buyer defined price and non-price buying criteria, the non-price criteria including at least one distribution criterion" and "**outputting** a list of the one or more **matching deals** to the buyer in real time." Ephrati does not teach or suggest these features.

Rather, Ephrati generally relates to providing a negotiation platform for buyers and sellers. (See Abstract). More specifically, Ephrati discloses a negotiation facilitator system (see FIG. 1, element 110) that can facilitate communication links (see FIG. 4, element 120) between a buyer and a seller so that these parties can negotiate terms of a potential sale of a good. In particular, the negotiation facilitator receives an offer from either a buyer or seller (see col. 4, ll. 46-49; col. 8, ll. 3-5), and posts the offer to allow an interested party to accept the offer or make a counter offer, with the negotiation facilitator enforcing rules that facilitate orderly transactions. (See FIG. 8). The offer can be either directed to a single, identified party who is the only party who can respond to the offer, or be undirected in which case either (1) all participants on the system can respond to the offer; or (2) those that can respond are based upon a list of eligible and/or non-eligible parties. (See col. 6, ll. 45-57; col. 14, ll. 1-3). In essence, Ephrati is a computer-based tool that can be utilized to negotiate a sale, but (i) only **after** the offeree has done all the legwork of scanning through the posted offers to find what he or she wants to bid on (i.e., no "matching"); or (ii) only **after** the offeror has personally selected the party(ies) to whom to make the offer (i.e., no "matching"). Case (i) is tantamount to a buyer scanning the want ads of a newspaper, finding a desired item, and then employing a computer-based system (Ephrati) to perform the negotiation with the seller. Case (ii) is similar to a seller identifying a buyer and to whom to offer a product and then utilizing a computer-based form of negotiation to solicit the

buyer rather than, say, mail or a telephone. Accordingly, Ephrati, which discloses an offers posting platform with a negotiation mechanism, is materially distinct and considerably inapplicable to the claimed subject matter, which can allow for pre-selection of suitable criteria *prior* to negotiation. Most particularly, Ephrati does not teach or suggest “*matching at least one deal of the plurality of deals that meets at least one buyer defined price and non-price buying criteria*, the non-price criteria including at least one distribution criterion” because Ephrati discloses no matching of buyer and seller criteria of any sort. Furthermore, even if matching is implicitly ascribed to Ephrati, there is no teaching or suggestion of “*outputting* a list of the one or more *matching deals* to the buyer in real time.”

In more detail, Ephrati provides a platform wherein offers can be posted and viewed as well as access to the negotiation facilitator that is intended to replace traditional face-to-face negotiation after the parties to the potential sale are established. Once the active link is created between the established parties (*see col. 7, ll. 25-29*), the negotiation proceeds based upon rules enforced by the negotiation facilitator (*see col. 13, ll. 11-15*). Accordingly, it is readily apparent that Ephrati does not contemplate, teach, or suggest “*matching at least one deal of the plurality of deals that meets at least one buyer defined price and non-price buying criteria*, the non-price criteria including at least one distribution criterion.” Rather, Ephrati expressly teaches away from such features by requiring an offeror to designate in advance the parties who can receive the offer and/or requiring the offeree to select suitable offers from among all offers, some or all of which the offeree might have absolutely no interest pursuing (but is the recipient of the offer merely because the offeror made the designation).

It is self-evident that in the case of a directed offer there is no matching, as the offeror expressly designates to whom an offer will be disclosed. On the other hand, for an undirected offer, the rules (*e.g.*, static rules) are still defined by the offer (*see col. 13, ll. 20-21*), and thus designated by the offeror or negotiation facilitator in advance (*e.g.*, eligibility/non-eligibility selected by offeror). Hence, while Ephrati appears to be largely irrelevant to the subject claims, even in the least irrelevant case, such requires the offeree to sort through all offers for which she is eligible to participate before she is apprised as to whether or not her criteria matches with that of the offeror (*i.e.*, no “matching”).

In fact, Ephrati expressly discloses an architecture that establishes the active link (*e.g.*, link 120) *before* any acceptance or counteroffer can be transmitted. (*See col. 7, ll. 20-41*).

Therefore, at least until the time in which the link is established, the negotiation facilitator has no information about the product attributes desired by the offeree because the offeree has not provided any information whatsoever and never does so unless the offeree makes a counteroffer, which first requires the active link to exist. In other words, only the offeror (e.g., buyer) has input offer attributes (e.g., likened to buying criteria), while the offeree (e.g., seller) has **input no attributes at all**. Appreciably, no matching between buyer defined criteria and seller defined criteria can possibly take place until seller defined criteria is actually received by the system, and thus must occur **after** the link is established and a counteroffer (e.g., likened to seller criteria) is received. However, all offerees to whom the offer will be disclosed are determined by the offer **before** the link is established (because only eligible offerees can establish an active link), which renders any notion of matching a moot exercise. Put another way, while it is readily apparent that Ephrati does not expressly teach matching or correlating, these features only make sense when performed prior to identifying the parties to whom to disclose the offer. Yet Ephrati cannot receive the seller criteria necessary for matching until: (1) **after** the parties have been identified; (2) the offer is disclosed to those parties; and (3) a counteroffer (and that alone) is received from one of those parties. Hence, matching features would be superfluous by the time such features could possibly be available to Ephrati.

It is plainly evident that Ephrati does not disclose “**matching at least one deal of the plurality of deals that meets at least one buyer defined price and non-price buying criteria**, the non-price criteria including at least one distribution criterion.” Furthermore, given that matching or correlating is not even possible until after negotiations between a buyer and seller have already begun (which precludes any useful application of matching buyer and seller criteria), applicant’s representatives respectfully submit there is no rational underpinning to support a conclusion that it would be obvious to ascribe such features to the reference. Moreover, the Examiner has not articulated any reasoning as to why such features would be obvious to include in the reference, especially in light of the fact that matching appears to have no utility unless it occurs before negotiations begin, yet at that point only criteria from one party has been received, rendering the feature impossible to implement when it could be rationally argued that the features would be useful to the reference.

Further still, even if it is deemed that to include features associated with matching or correlating deals based upon buyer and seller criteria is obvious, Ephrati still fails to teach or

suggest “*outputting a list of the one or more matching deals to the buyer in real time*,” and it would, in fact, be impossible for Ephrati to provide this feature. First, Ephrati is silent as to *real time* aspects of its offers. Second, as detailed *supra*, no matching can possibly take place in Ephrati prior to the start of actual negotiations because that is the first moment in which information from the offeree can be received, so prior to that there is no data from one of the parties with which to match or correlate. However, the claim expressly states “matching deals,” so the matching inherently has already occurred prior to the “outputting a list … to the buyer.” However, in Ephrati, offers must be disclosed before any active link is established and therefore at a time prior to a possibility of performing any matching. Hence, Ephrati does not teach or suggest “*outputting a list of the one or more matching deals to the buyer in real time*,” and in fact is incapable of realizing these features. For at least the foregoing reasons, this rejection of independent claims 1, 40, 47, 50, 51, and 52, as well as all claims that depend there from, should be withdrawn.

Furthermore, at page 2 of the Final Office Action (dated July 25, 2008) as well as page 2 of the Office Action (dated January 23, 2008), the Examiner concedes that “Ephrati does not explicitly disclose a service and distribution criteria,” but suggest such would have been obvious to one of ordinary skill in the art in view of an Official Notice from the July 17, 2007 Office Action. The Examiner further argues that deeming these shortcomings as obvious is proper because applicant did not traverse the previous Official Notice. However, all assertions by the Examiner are in err. First, the Examiner has failed to provide required evidentiary support and therefore must withdraw the rejection. Second, applicant did in fact traverse all previous Official Notices. The traversal can be found at pages 12 and 13 of the Reply to Office Action filed on October 17, 2007, and is reiterated here yet again *infra*. The record is clear that applicant’s duly traversed this Official Notice, and therefore respectfully request that the Examiner refrain from incorrectly repeating yet again this argument. Thus, for yet another reason, this rejection should be withdrawn.

Applicants respectfully traverse the aforementioned Official Notice and request that the Examiner cite a reference in support of this position pursuant to MPEP 2144.03 if this rejection is to be maintained. Furthermore, the indicated Official Notice appears to have no adequate relationship to the subject claims and is therefore

moot. In particular, even assuming that the Examiner's assertions are capable of instant and unquestionable demonstration as being well-known, asserting that a particular feature is well-known outside the context of and without the recited and inherent relationships of all that is claimed is not adequate for a showing of obviousness. Hence, assuming as fact that distribution criteria has been common knowledge in the electronic marketing art does not necessarily imply that well-known distribution criteria is or could be reasonably considered to be the non-price criteria of the subject claims. Moreover, there does not appear to be any rational underpinning to support combining such distribution criteria (even if well-known) with a system for trading bonds online as taught by Kim.

In addition, regarding dependent claim 59, it should be readily obvious based upon the foregoing comments that Ephrati is materially deficient to teach or suggest the recited features: "the act of notifying the seller of the particular product or service *occurs after* a negotiation or acceptance is completed." In particular, the Examiner's analysis argues that the offeree's counteroffer constitutes the act of "notifying the seller of the particular product or service when the buying criteria does not match the seller criteria" recited in independent claim 1. This rationale implicitly requires that the notification *occurs before* a negotiation or acceptance is completed, which is opposite of what is claimed. Counteroffers (e.g., what is likened to the notification of non-matching terms) cannot occur after acceptance, but must by definition occur beforehand. Therefore, the suggestion at page 3 of the Final Office Action that implementing these features "with Ephrati would have been predictable and obvious" appears to be unsupportable. Since completion of negotiation or acceptance precludes the possibility of a subsequent counteroffer, it is not predictable and obvious to implement a counteroffer that *occurs after* a negotiation or acceptance is completed. Thus, the counteroffer cannot represent the claimed act of notifying. Accordingly, in addition to the arguments set forth supra with respect to the base claim, this rejection of dependent claim 59 should be withdrawn for yet another reason.

CONCLUSION

The present application is believed to be in condition for allowance in view of the above comments and amendments. A prompt action to such end is earnestly solicited.

In the event any fees are due in connection with this document, the Commissioner is authorized to charge those fees to Deposit Account No. 50-1063 [GEDP106US].

Should the Examiner believe a telephone interview would be helpful to expedite favorable prosecution, the Examiner is invited to contact applicant's undersigned representative at the telephone number below.

Respectfully submitted,
AMIN, TUROCY & CALVIN, LLP

/David W. Grillo/
David W. Grillo
Reg. No. 52,970

AMIN, TUROCY & CALVIN, LLP
24TH Floor, National City Center
1900 E. 9TH Street
Cleveland, Ohio 44114
Telephone (216) 696-8730
Facsimile (216) 696-8731